

Legislative Preview

**Highlights of Significant Legislation
Pending in 2004**



Senate Office of Research

March 2004

Legislative Preview

Highlights of Significant Legislation Pending in 2004

Project Team

**Chris Aguirre
Jeff Brown
John Decker
Greg deGiere
Kim Flores
Rebecca LaVally
Sara McCarthy
Laurel Mildred
John Miller
Patty Quate
Rona Levine Sherriff
Kate Sproul
Max Vanzi
Nick Vucinich
Kip Wiley
Donald Wilson**

**Senate Office of Research
Donald Moulds, Director**

March 2004

Table of Contents

Introduction.....	<i>i</i>
Agriculture.....	1
Banking.....	1
Civil Rights.....	2
Consumers.....	3
Education.....	4
Kindergarten through High School.....	4
Higher Education.....	5
Elections and Political Reform.....	6
Energy, Utilities and Communications.....	7
Environmental Quality.....	8
Family Law.....	9
General Government.....	10
Outsourcing and Overseas Labor.....	11
State Property.....	11
Health Care.....	12
Mental Health.....	13
Housing and Urban Growth.....	14
Land Use and Urban Growth.....	15
Human Services.....	15
Child Care.....	15
Foster Care/Child Welfare Services.....	16
CalWORKS.....	17
Other Human Services Measures.....	17

Information Technology	17
“Spyware,” “Adware” and E-mail False Advertising.....	17
“Internet Piracy” and Taxes	18
State Government IT	18
International Trade	19
Judiciary.....	19
Labor and Employment	20
Workers’ Compensation	20
Unemployment Insurance	20
Other Labor and Employment Bills	21
Local Government	21
Natural Resources	21
Privacy and Identity Theft	22
Secret Photography	23
Vehicular Eavesdropping	23
Public Employment and Retirement.....	24
Public Safety	24
Prison Reform	24
Domestic Violence and Sexual Assault.....	25
Hate Crimes	26
Other Public Safety Bills.....	26
Revenue and Taxation.....	26
Spending Limits	27
Transportation	27
Veterans.....	28
Water	29

Introduction

This Legislative Preview highlights significant public-policy bills introduced in the second half of the 2003-04 legislative session or that remain active from 2003. It offers a sampling of measures in policy areas rather than a comprehensive overview.

Among the measures previewed here are proposals to reform the troubled workers' compensation and state prison systems, address the rapidly depleting Unemployment Insurance Fund, curtail the state's reliance on overseas labor, and restore June as California's month for primary elections.

Other bills would increase state employees' pension-fund contributions and reduce the retirement benefit package available for new state workers. If voters approve, several proposed constitutional amendments would tighten the state's spending limit.

Under other measures, teenagers would be prohibited from using cell phones while driving, gasoline taxes would increase and a vote on California's proposed high-speed rail system would be delayed or cancelled. "Spyware" and "adware," terms describing Internet tracking devices and pop-ups, also are addressed this year.

For the most part, state budget legislation is not detailed here. Please see the Web site of the Legislative Analyst's Office, www.lao.ca.gov, for an overview and analysis of Governor's Schwarzenegger's budget proposals for 2004-05. Further information about the legislation in this document may be obtained at www.leginfo.ca.gov.

Agriculture

Some of the key bills in the agriculture area deal with certain aspects of the plant and animal diseases that have appeared in recent years from Pierce's Disease, which threatened the wine industry, to the recent finding of a bovine with mad cow disease in the United States.

SB 1520 (Burton) – Prohibits force-feeding birds with the intent of enlarging their livers to create foie gras.

SB 1650 (Chesboro) – Extends the sunset on the Pierce's Disease Advisory Task Force to an unspecified date.

SB 1732 (Hollingsworth) – Authorizes the secretary of the Department of Food and Agriculture to develop a voluntary program to promote the environmental quality of dairy lands, facilities and operations. Authorizes funding from government, private, nonprofit and industry sources.

SB 1826 (Poochigian) – Authorizes the state veterinarian to waive state quarantine law to allow transportation of a dead animal to an animal disease diagnostic lab.

AB 2095 (Spitzer) – Authorizes the secretary of the Department of Food and Agriculture to adopt quarantine or other regulations that prohibit the importation of the red imported fire ant.

AB 2745 (Strickland) – Allows the Department of Agriculture, upon adopting regulations, to grant, deny and rescind licenses for private facilities to provide precautionary quarantines intended to prevent the spread of Contagious Equine Metritis and other diseases of imported animals.

ACR 177 (Maze) – Requests the Regents of the University of California to make continued funding of the Cooperative Extension Program a top priority.

Banking

SB 1279 (Bowen) – Requires a consumer credit reporting agency to allow a consumer to add a password to his or her credit file. Requires that a prospective user of a consumer credit report match that password prior to receiving the consumer's credit report. Expands existing law that requires disclosure of breach

of security of computerized data to all data. Prohibits a person or entity from storing specified personal information on a card key used to provide access to lodging.

SB 1292 (Dunn) – Authorizes a credit union to cash checks and sell negotiable instruments and money transfer instruments to any credit union member, depositor or person within the field of membership.

AB 1810 (Frommer) – Requires independent sales organizations and other automated teller machine service providers to be licensed by the Department of Financial Institutions. Requires the department to provide a seal to be placed on each automated teller operated by the entity. Makes it a misdemeanor, punishable up to \$25,000, if any entity that conducts business within the state fails to register or fails to place the seal on the machine.

AB 2092 (Liu) – Prohibits a credit issuer from making a solicitation for receiving a credit card to anyone less than 18 years of age.

AB 2868 (Nuñez) – Enacts the Refund Anticipation Loan Act with the goal of ensuring that consumers are fully informed of the costs and consequences of refund anticipation loans. Imposes various requirements on facilitators of these loans and penalties for violations of the bill's provisions.

Civil Rights

SB 18 (Burton) – Adds additional provisions to protect places that are sacred to Native Americans and establishes a Traditional Tribal Cultural Site register.

SB 1145 (Burton) – Erases the 2005 expiration date of a 1999 law prohibiting landlords to discriminate by source of income (SB 1098, Burton), making the law permanent. Removes the sunset provisions in two other laws that help renters cope with higher rents and evictions.

SB 1268 (Morrow) – Allows a faith-based organization to be a state contractor and to apply for state grants without having to alter its form of internal governance or to remove religious symbols.

AB 1229 (Simitian) – Makes an employer liable for unlawful sexual discrimination against qualified individuals who are denied an employment opportunity or benefit when another individual received the opportunity or benefit because that individual submitted to sexual advances or requests for sexual favors.

AB 1947 (Strickland) – Allows women in their last trimester of pregnancy to park their vehicles in spaces for the disabled.

AB 2387 (Firebaugh) – Seeks to enact legislation that would allow the consideration of race in university admissions consistent with a 2003 U.S. Supreme Court decision and not in conflict with Proposition 209. Proposition 209

added Article 1, Section 31, to the state Constitution to ban discrimination or preferential treatment based on race, ethnicity and gender in public employment, education and contracting.

AB 2404 (Steinberg) – Prohibits local government agencies from gender discrimination in the operation, conduct or administration of community youth athletic programs and activities. Requires local government agencies to equitably apportion public funds to ensure that the athletic interests and abilities of both genders are accommodated.

AB 2662 (Jackson) – Requires the governor and state agencies to evaluate state activities and programs to make sure the state is in compliance with the United Nations' Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

Consumers

SB 1154 (Figueroa) – Requires that companies mail promotional rebate checks within 30 days of a consumer's request.

SB 1451 (Figueroa) – Expresses the intent of the Legislature to enact legislation that addresses a threat to individuals or corporations that contract with individuals located outside the United States who handle private medical and financial information.

SB 1580 (Bowen) – Prohibits claiming a product to be "low fat," "reduced fat" or "fat free" without including the amount of trans fatty acids present in the product. Failure to include the presence of trans fatty acids when making a health claim would be false and misleading advertising.

SB 1721 (Bowen) – Prohibits sellers from adding charges for goods or services to a consumer's credit contract without the consumer's consent.

SB 1735 (Figueroa) – Exempts from a provision of law requiring vacant state positions to be abolished after six months any position on any board under the jurisdiction of the Department of Consumer Affairs that is funded solely from non-General Fund sources.

SB 1801 (Bowen) – Prohibits state and local entities that accept credit or debit cards as payment from imposing any fee that is not also imposed upon those who pay for the same service or obligation by cash or check.

AB 320 (Correa) – Prohibits a licensee of a profession or vocation regulated by the Department of Consumer Affairs, or by another board or commission, from including a provision in settling a civil dispute that prohibits the other party from contacting, filing a complaint with, or cooperating with the department, board or commission, or that requires the other party to withdraw a complaint.

AB 664 (Correa) – Requires a person or entity conducting business in California that shares personal information with offices, affiliates, subcontractors, or subsidiaries outside of the United States to disclose to the customer specific information about the information shared, including the category of personal information, and country where the information is or may be shared.

AB 2163 (Leslie) – Requires those hired by providers of health care to transcribe medical records to disclose all contractors or subcontractors that perform this function. Requires the disclosure of any medical records and information sent to other countries for this purpose and requires the provider of health care to obtain the consent of the patient for that action.

AB 2316 (Chan) – Creates the Senior Protection Fund within the Department of Insurance to be financed by a \$1 assessment on each annuity and insurance policy issued in California. The revenues would be divided evenly between senior consumer-protection activities and funds for investigation and prosecution of fraud by insurers against the elderly.

Education

Kindergarten through High School

Significant education issues include four-day school weeks, a Reading and Literacy Bond Act, weighted per-pupil funding, maintenance of minimum school conditions, block grants for categorical funding, the cap on charter schools, funding for special education, and a School Finance Reform and Accountability Act.

SB 1138 (Hollingsworth) – Allows school districts to enact a four-day school week, so long as the school district complies with specified requirements.

SB 1161 (Alpert) – Enacts the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2004 to place a \$2 billion bond on the November general election ballot.

SB 1416 (Vasconcellos) – Authorizes a school district to elect to receive school funding on a weighted per-pupil basis in 2005-06.

SB 1420 (Vasconcellos) – Conditions specific transfers from State School Funds on a requirement that a school district and county superintendent of schools maintain minimum school conditions.

SB 1510 (Alpert) – Eliminates some individual revenue limit adjustments and establishes block grants for some categorical funding.

SB 1531 (Knight) – Removes a cap on the number of charter schools that are authorized to operate each year in California.

SB 1895 (Burton) – Provides that the superintendent of Public Instruction and the secretary of Health and Welfare are jointly responsible for ensuring maximum utilization of all state and federal resources that are available to provide a child with a disability with a free appropriate public education, provision of related services and designated instruction and services.

AB 2373 (Goldberg) – Establishes the School Finance Reform and Accountability Act of 2004.

AB 2764 (Bates) – Authorizes the Regents of the University of California (UC), the Trustees of California State University (CSU) or the Board of Governors of the California Community Colleges to establish charter schools.

Higher Education

Governor Schwarzenegger's 2004-05 budget proposes a series of recommendations in higher education in an attempt to realize state budget savings. These recommendations include:

- ♦ Reducing the number of new freshmen enrolling in the UC and CSU systems by 10 percent and redirecting these students to local community colleges as part of a "dual admissions" program,
- ♦ Providing no additional funding for student enrollment growth at either UC or the CSU and only funding an additional 3 percent enrollment growth at the community colleges,
- ♦ Increasing system-wide fees by 10 percent for undergraduates and 40 percent for graduate students,
- ♦ Establishing a long-term student fee policy, and
- ♦ Providing less support for student financial aid to offset increased student fees.

Also, a number of bills introduced this year arise out of the work of the Joint Committee to Develop a Master Plan for K-16 Education. Specifically, legislation has been introduced to create an accountability structure for higher education, to provide a more effective articulation and transfer system from community colleges to the four year institutions, and to consolidate the policy responsibilities of the California Postsecondary Education Commission into a new body which provides policy and fiscal analysis.

SB 1331 (Alpert and Scott) – Establishes the California Postsecondary Accountability structure that would annually provide an assessment of the progress made by the state's system of postsecondary education in meeting the educational needs of Californians.

SB 1415 (Brulte) – Requires that by January 1, 2006, each campus of the California Community Colleges and the CSU adopt a common course numbering system.

SB 1503 (McClintock) – Eliminates a person without lawful immigration status from eligibility for paying nonresident tuition at the California Community Colleges and the California State University.

SB 1535 (Karnette) – Provides that beginning in the 2004-05 academic year CSU trustees may increase undergraduate fees by no more than the percentage by which per capita income grew during the most recent fiscal year. This bill would authorize the trustees, upon a finding of unique fiscal circumstances, to increase undergraduate fees beyond that level, but not to exceed a 10 percent increase. This bill also authorizes the trustees, beginning in the 2004-05 school year, to increase system-wide fees for graduate students by whatever percentage is deemed appropriate by the trustees until graduate fees are 50 percent higher than undergraduate fees. Thereafter, graduate fees could only be increased at a rate no higher than the rate of increase for undergraduate fees.

SB 1785 (Scott) – Requires the chancellor of CSU to specify for each baccalaureate program major a model core lower-division transfer curriculum composed of at least 45 semester course units that will be common across all CSU campuses.

AB 2833 (Plescia) – Requires CSU and requests that UC establish a dual admissions program in which eligible applicants who are not directly admitted to either institution would be guaranteed admission if the student completes specified lower division transfer requirements at a community college. This bill would also waive fees for participating students and require each community college to offer counseling services to participants in this program to ensure transfer success.

AB 2923 (Liu) – Eliminates the California Postsecondary Education Commission (CPEC) and consolidates CPEC's policy responsibilities into a newly created California Postsecondary Education Policy and Finance Commission. This bill specifies that this new commission's key responsibilities include higher education planning and analysis, program administration and information system management.

Elections and Political Reform

SB 1282 (Morrow) and **SB 1370 (Oller)** – Require a voter to present proof of his or her identity and residency to a member of the precinct board before receiving a ballot. Permit a voter who is unable to present proof of identity or residency to cast a provisional ballot.

SB 1351 (Soto) – Amends the Political Reform Act of 1974 to prohibit former elected or appointed officials of local government agencies who held positions that entailed making decisions that had a material effect on financial interests from lobbying those local government agencies for one year after leaving office or employment.

SB 1376 (Perata) – Makes it a felony to provide access for tampering with a voting machine or for inserting unauthorized hardware, software or firmware into a voting system.

SB 1438 (Johnson and Perata) – Prohibits a city or county from purchasing a direct recording electronic voting system that does not include an accessible voter verified paper audit trail. Requires that, as of January 1, 2005, all direct recording electronic voting machines in use on that date, regardless of when purchased, include an accessible voter verified paper audit trail.

SB 1730 (Johnson) – Requires that the statewide direct primary election be held on the last Tuesday in June of each year. Existing law requires the primary on the first Tuesday in March in each even-numbered year and consolidated with the presidential primary on the first Tuesday in March in presidential-election years.

SCA 18 (Johnson) – Provides that boundary lines of Senate, Assembly, congressional and Board of Equalization districts be adjusted each 10 years after the federal census by a commission established by statute, rather than by the Legislature.

SCA 19 (Vasconcellos) – Lowers the voting age in California from 18 to 14 years. Votes by persons age 14 and 15 would count as a quarter of a vote. Votes by persons age 16 and 17 would count as half a vote.

AB 1784 (Wolk and Frommer) – Prohibits a lobbyist from contacting an elected state officer, other than a member of the Legislature, or staff to influence legislative or administrative action during the time, and for six months afterward, that the lobbyist has a contractual relationship with the elected state officer's controlled campaign committee. Prohibits a lobbyist, during any period of time that he or she has a business relationship with an elected state officer, other than a member of the Legislature, from contacting the officer or his or her staff to influence legislative or administrative action.

AB 1785 (Frommer) – Prohibits a lobbyist from contacting a member of the Legislature or specified staff to influence legislation during and for six months after the time that the lobbyist has a contractual relationship with the member's controlled campaign committee. Also prohibits a lobbyist with a business relationship with a member of the Legislature from contacting the member or staff to influence legislation.

AB 2079 (Oropeza) – Requires that voters be informed of the permissible uses of the personal information on their voter registration affidavits.

Energy, Utilities and Communications

SB 772 (Bowen) – Authorizes the Public Utilities Commission to issue financing orders, to support the issuance of recovery bonds by the recovery corporation secured by a dedicated rate component, and to finance the unamortized balance of

the regulatory asset awarded Pacific Gas and Electric Company in commission Decision 03-12-035. Establishes procedures for judicial review of any order or decision.

SB 888 (Dunn) – Enacts the Repeal of Electricity Deregulation Act of 2003. Provides that electrical and gas corporations have an obligation to serve retail customers with reliable service at just and reasonable rates. Provides that this obligation includes a duty to furnish and maintain adequate, efficient, just and reasonable service.

SB 1478 (Sher) – Recasts intent language in the Renewable Energy Resources Program legislation so that the amount of renewable electricity generated per year is increased to an amount that equals at least 20 percent of the total electricity generated for consumption in California per year by 2010, rather than 2006, and 33 percent by the year 2020. Requires that the renewable energy public goods charge be awarded only to a project that is selected by an electrical corporation in accordance with a competitive solicitation procedure found by the Public Utilities Commission to comply with the California Renewables Portfolio Standard Program.

SB 1488 (Bowen) – Provides that all information furnished to the Public Utility Commission by a public utility, except those matters specifically required to be closed to public inspection, are open to public inspection and may not be withheld from public inspection except by order of the commission or a commissioner in the course of a hearing or proceeding. Provides that any present or former officer or employee of the commission who divulges information made confidential by the commission is guilty of a misdemeanor.

AB 428 (Richman) – Requires the Public Utilities Commission to adopt rules under which non-core customers, by a date certain, or on or before June 30, 2005, elect whether to procure electricity service from an electric service provider, from the electrical corporation under a procurement plan for a minimum period of three years, or receive default commodity service from the electrical corporation. Beginning January 1, 2006, an electrical corporation's obligation to provide commodity service from its procurement plan would extend only to core and core-elect customers and to provide default commodity service to non-core customers.

AB 2006 (Nuñez) – Establishes a core and non-core model under which a utility's duty to serve would extend to core customers and those non-core customers that elect to receive bundled electric service from the electrical corporation. The utility's duty to serve non-core customers that elect to purchase electricity through a direct transaction would exist for transmission and distribution of electric service.

Environmental Quality

SB 18 (Burton) – Establishes the Traditional Tribal Cultural Site (TTCS) Register. Declares various powers and duties of the commission, including the duty to determine whether a proposed development project may cause a substantial adverse change in a TTCS.

SB 493 (Cedillo) – Enacts the California Land Reuse and Revitalization Act of 2004. Provides that an innocent landowner, a bona fide prospective purchaser, or a contiguous property owner is not liable for response cost or damage claims that impose liability upon an owner or occupant of property, for pollution conditions caused by a release of a hazardous material on, under, or adjacent to that property, if the innocent purchaser, bona fide prospective purchaser, or contiguous property owner meets specified conditions.

SB 1180 (Figueroa) – Enacts the California Mercury Lamp Recycling Act of 2004 and would require a retail purchaser who purchases a fluorescent lamp in this state to pay a fluorescent lamp recycling fee to the retail seller.

SB 1211 (Ortiz) – Repeals a provision precluding criminal prosecution of air pollution violations following the recovery of civil penalties for the same offense, and would repeal the requirement that a civil action be dismissed upon the filing of a criminal complaint for the same offense.

SB 1446 (Escutia) – Requires the establishment of a health tracking program and would set forth the duties of the Office of Environmental Health Tracking.

SB 1456 (Kuehl) – Prohibits an owner or operator of the Santa Susana Field Laboratory in Ventura County from using, selling, transferring or leasing any part of that site for residential use unless the federal Environmental Protection Agency finds that the radioactive contamination at the Santa Susana Field Laboratory has been surveyed and remediated in accordance with the federal Comprehensive Environment Response, Compensation, and Liability Act of 1980.

AB 389 (Montañez) – Enacts the Brownfield Prospective Purchaser Protection Act. Requires the California Environmental Protection Agency to adopt regulations to establish the conditions under which an agency may enter into a prospective purchaser agreement with a bona fide prospective purchaser of a brownfield. Requires the regulations to include the terms and conditions under which the agency agrees that the prospective purchaser is not liable with regard to an existing hazardous materials release at the brownfield, and requires that the brownfield site and the prospective purchaser meet specified conditions.

AB 1699 (Laird) – Enacts the Mercury Recycling Enhancement Act of 2004. Prohibits any person, after January 1, 2005, from disposing a fluorescent lamp at a solid waste facility but would authorize a fluorescent lamp to be disposed of or recycled at a hazardous waste facility that has been issued a hazardous waste facilities permit. Beginning July 1, 2005, every retail purchaser who purchases a fluorescent lamp from a retail seller to pay a fluorescent lamp recycling fee.

Family Law

SB 734 (Ortiz) – Supplements existing standards for determining child custody and visitation when child abuse is a factor. It requires courts to impose supervised visitation upon parents convicted of specified crimes, unless the parent has

successfully completed all required rehabilitation programs, and establishes factors for determining whether visitation should be supervised in other cases.

SB 1357 (Scott) – Provides that the notice to and the consent of the presumed father to an adoption is not required if he waives, renounces or denies the existence of a parent and child relationship. Also contains provisions related to adoptions that involve a child of Native-American ancestry.

SB 1367 (Burton) – Will be amended to ensure that a change in residence of a parent entitled to custody of a child shall not be frustrated by undue delay.

SB 1407 (Kuehl) – Provides that a party shall be reimbursed for any separate property contributions made to the separate property estate, including assets or debts, of the other spouse during the marriage, unless the party legally gave up his or her right to keep the property separate. When couples dissolve their marriage, existing law regulates the division of property into community and separate property.

SB 1413 (Brulte) – Prohibits a person from being held liable for civil damages as a result of assisting another person to voluntarily surrender physical custody of a child to a safe-surrender site if the assisting person is not being compensated, undertakes the assistance in a reasonable manner, and believes in good faith that the person he or she is helping is a parent or other individual having lawful custody of the newborn. This legislation builds on early bills by Senator Brulte establishing the Safe Haven Law.

SB 1440 (Burton) – Establishes procedures for keeping the location and identifying information about assets and liabilities of the parties confidential in court files related to dissolution of marriage.

AB 252 (Jackson) – Creates new procedures for challenging paternity judgments based upon genetic testing. An on-going issue in family law is the problem for some men of having inadequate opportunity to challenge a judgment of paternity that serves as the basis for a child support order, leaving them having to pay child support for children who are not biologically theirs. The bill includes provisions to ensure that finality is reached in paternity actions within a reasonable period of time, and to protect the interests of a child who may suffer a loss of support, or even of a relationship with the man the child believed to be its father.

AB 1967 (Leno) – Enacts the “California Marriage License Nondiscrimination Act” allowing same-sex couples to marry.

General Government

A number of bills seek to curb any state “outsourcing,” the use of overseas rather than domestic labor. Others are aimed at improving the state’s inventorying and management of its property.

Outsourcing and Overseas Labor

SB 1452 (Figueroa) – Prohibits the state from contracting with any individual or entity that employs persons or subcontractors outside of the United States in order to perform and complete that state contract.

AB 1829 (Liu) – Prohibits a state agency from contracting for services with a contractor or subcontractor unless that contractor or subcontractor certifies under penalty of perjury that the services will be performed solely with workers within the United States.

AB 1845 (Lowenthal) – Requires state agencies to include a provision in their contracts for services that only citizens and legal immigrants of the United States will perform the agencies' contract and subcontract work.

AB 2449 (Diaz) – Requires each state agency and recipient of state funds to give preference to vendors, contractors, subcontractors, or other suppliers who provide written certification that the vendor, contractor, subcontractor, or supplier performs the work in the United States for information technology services.

State Property

SB 1750 (Battin) – Establishes the Commission on Asset Review and Divestiture in state government with staff support to be provided by the Department of General Services (DGS). Requires the department to divest surplus real property pursuant to the recommendations of the commission.

SB 1752 (Battin) – Authorizes DGS to sell, exchange, lease, or transfer state property, and exempts these transactions from specified provisions of the California Environmental Quality Act. Requires net proceeds to be deposited in the General Fund.

SB 1753 (Denham) – Requires that land that has been declared surplus by the Legislature, and is not needed by any state agency, be offered to local governmental agencies for fair market value at the time it is offered to other interested parties.

SB 1754 (Battin) – Provides that final determination of the use of real property by state agencies shall be made by DGS with the concurrence of the Department of Finance. Requires DGS to use state-owned, state-leased, or state-controlled real property before considering leasing of additional real property for a state agency.

SB 1755 (Denham) – Requires DGS to ensure that state agencies receive up to 15 percent of the sale of state surplus real property and provides a reward of 0.5 percent of the sales price of the surplus property, not to exceed \$5,000, to the agency employee or employees who disclosed the availability of the property.

SB 1758 (Battin) – Requires state agencies to report all personal property in their possession or control to DGS by March 1, 2005, and to report any subsequent purchase of personal property of \$5,000 or more to the department for inclusion in a central database.

Health Care

SB 858 (Ortiz) – Restructures and realigns responsibilities within the state public health system and establishes a new Department of Public Health. Leaves the large Medi-Cal responsibilities within the existing Department of Health Services but consolidates public health responsibilities in the new entity to enhance public service, efficiency, and communication.

SB 921 (Kuehl) – Creates a “single-payer” health financing system for California. Provides universal health access for all California residents, expands health benefits, and reduces health costs for the state. Implements employer payroll taxes in lieu of private insurance premiums. Establishes a new health finance system outside of the state’s General Fund and incorporates all public and private health insurance.

SB 1144 (Burton) – Authorizes Department of General Services suppliers to provide Canadian drugs for use by state agencies. Specifies appropriate safeguards and regulations and requires the department to seek a necessary federal waiver.

SB 1149 (Ortiz) – Requires the Board of Pharmacy to develop and disseminate information to facilitate individual web access to Canadian pharmacies. Specifies that state provided information shall include Canadian pharmacies that meet, or fail to meet, recognized safety standards.

SB 1159 (Vasconcellos) – Establishes a demonstration project permitting sale of clean hypodermic needles to prevent the spread of blood borne diseases. Requires participating pharmacies and local/state officials to evaluate the cost/benefits and potential medical effects of access to clean needles.

SB 1168 (Ortiz) – Requires the Department of Health Services and California Environmental Protection Agency to phase in implementation of a program to monitor environmental toxins and imposes a fee on manufactures of toxic chemicals.

SB 1333 (Perata) – Permits California pharmacies to provide low-cost drugs from Canada to Medi-Cal and AIDS patients. Requires Canadian pharmacies that sell to California to meet certain standards and offers some legal protection to participating pharmacies.

SB 1497 (Speier) – Requires specified hospitals to collect and report hospital-acquired infection data to the Office of Statewide Health Planning and Development. Requires the Department of Health Services to consider these reports in hospital licensing inspections and approvals.

SB 1555 (Speier) – Requires health insurers to cover maternity services in health insurance products, with some exemptions, that are sold in California.

SB 1566 (Escutia) – Requires all school districts to adopt the approved SB 19 nutrition standards for individual foods sold in schools. The standards are based on the recommendations of the Nutrition Consensus Panel.

SB 1585 (Speier) – Will be amended to enhance and expand the public notification capacity of the state in the event of a future beef recall. The measure responds to contract issues that prevented public notification of “mad cow” contamination.

AB 1957 (Frommer) – Creates a public Internet site to provide information and access to California residents seeking lower-cost Canadian pharmaceuticals. Requires the state to determine the amount of savings possible through access to Canadian drugs.

AB 1958 (Frommer) – Permits the Public Employees Retirement System to enter into joint drug purchasing arrangements with other public and private entities. The measure will permit cooperative bulk purchases, presumably at lower prices, of pharmaceutical products.

Mental Health

SB 1221 (Morrow) – Authorizes a minor to obtain various medical, dental, mental health and counseling services without parental consent, but requires schools to attempt to provide a parent or guardian with advance notice of the absence.

SB 1365 (Chesbro) – Requires the California Health and Human Services Agency to establish the Olmstead Advisory Council to develop and review options to implement the U.S. Supreme Court’s Olmstead decision, including strategies to expand or modify the state Medicaid plan or to utilize Medicaid waivers. Also requires public comment and legislative input into the plan prior to finalizing each year’s updated version.

SB 1794 (Perata) – Provides a process for determining whether psychotropic medications should be administered to defendants in misdemeanor and felony cases. Requires as part of this process that appointed mental health professionals report to the court on issues of the person’s competence.

SB 1853 (Perata) – Expands the scope of practice of clinical social work to include specialized clinical knowledge and advanced skills, such as assessment, diagnosis and treatment of mental, emotional and behavioral disorders and addictions.

AB 2286 (Mountjoy) – Prohibits any employee of a school district from recommending to a parent that his or her child may have a particular psychiatric diagnosis or learning disability. Also prohibits an employee from suggesting the use of a psychotropic medication for the child. Prevents a school from using a parent’s refusal to treat a child as a rationale to prohibit the pupil from attending class or participating in school activities.

AB 2450 (Canciamilla) – Requires that local government and agencies are given notice when a sexually violent predator is being considered for community

placement and provides that comments to the Department of Mental Health and responses to concerns about such placement be considered by the court in making a decision.

AB 2629 (Simon) – Amends the Community Care Facilities Act, transferring jurisdiction from the Department of Social Services to the Department of Mental Health for social rehabilitation facilities or other residential community care facilities in which at least 75 percent of the residents are persons with mental illness.

AB 2766 (Richman) – Restructures the sub-accounts of the Local Revenue Fund that finances local mental health, public health and social services programs.

Housing and Urban Growth

SB 115 (Torlakson) – Prohibits landlords from demanding that rent or security deposits must be in cash.

SB 1145 (Burton) – Removes the automatic-repeal dates of three major tenant-protection laws, making these protections permanent. There are requirements for notices of 60 days to terminate a tenancy or to raise rents more than 10 percent, and a prohibition on discriminating against prospective renters based on income source.

SB 1188 (Chesbro) – Expands the Workforce Housing Reward Program in the Department of Housing and Community Development to assist local governments that provide land-use approval to group quarters for farm workers.

SB 1595 (Ducheny) – Asks voters to authorize general-obligation bonds in an unspecified amount to finance new construction and rehabilitation of housing affordable to low- and very-low-income individuals and families.

AB 2175 (Canciamilla) – Allows landlords to convert rental housing to condominiums if, among other conditions, the landlord offers the tenants a right of first refusal to purchase units at fair market value, at least a majority of the tenants do purchase their units, and the landlord does not require a tenant to purchase a unit.

AB 2812 (Dutra) – Specifies the rights and requirements of homeowners who bought their homes before 2003 and wish to sue the builders for construction defects. The bill includes home-construction standards, a statute of limitations, burden-of-proof requirements, limits on damages recoverable, a detailed pre-litigation procedure, and homeowner obligations similar to those that the Legislature enacted in 2002 with SB 800 (Burton) for buildings purchased in 2003 and since.

Land Use and Urban Growth

SB 493 (Cedillo) – Enacts the California Land Reuse and Revitalization Act, granting immunity to innocent landowners, bona-fide prospective purchasers, and contiguous property owners from requirements to pay additional cleanup costs for a contaminated site when a government agency reopens a previously settled cleanup action.

SB 744 (Dunn) – Allows appeals to the Department of Housing and Community Development of local government decisions on applications for affordable-housing construction.

SB 1818 (Ducheny) – Broadens the range of density bonuses and other incentives that local governments grant to developers who provide housing affordable to low- and moderate-income persons.

AB 1426 (Steinberg) – Creates a pilot affordable-housing production standard program in the six-county Sacramento region.

AB 2702 (Steinberg) – Requires local governments to adopt ordinances to permit second dwelling units in all residential zones, and authorizes local governments to impose greater restrictions in nonresidential zones. Prohibits a local government from restricting the rent or income of occupants of second units or limiting occupancy based on familial status or age.

AB 2980 (Salinas) – Allows local governments to obtain certification of the housing elements of their general plans based on housing produced, rather than housing planned, as at present.

Human Services

Child Care

SB 1190 (Chesbro) – Makes numerous changes to child care programs administered by the Department of Education, including authorizing reimbursement rate adjustments on a case-by-case basis when due to documented insurance costs, allowing reimbursement for up to four days per year of staff training, permitting changes in contracts with extended care providers if documented costs exceed reimbursement, and requiring specified accounting procedures for child care providers contracting with the department.

SB 1897 (Burton) – Reforms the child care program administered by the Department of Education. These reforms include establishing provider pools to employ family child care providers, requiring the department to conduct regular assessments of supply and demand for subsidized and unsubsidized child care, and developing a career ladder for child care and development providers.

AB 1849 (Nation) – Makes numerous changes to the state’s child care system including: transferring funds from the Department of Education to the Department of Social Services for certain child care licensing functions; permitting the reimbursement rate for alternative payment child care providers to include reimbursement for family support services, provider training, etc.; and authorizing rate adjustments based on documented insurance costs.

Foster Care/Child Welfare Services

SB 855 (Machado) – Establishes a facility licensing category for short-term nonmedical residential emergency care for children under age 6 who are placed in care for less than 30 days, due to a family crisis. Provides that provisions of SB 855 would replace existing statutes and regulations pertaining to group homes providing temporary emergency shelter. Also, includes temporary emergency shelters within the definition of community care facilities for the purpose of licensing.

SB 1094 (Murray) – Requires nonpublic schools providing special education to children in foster care to comply with applicable school curriculum and facility requirements. Also requires that teachers in such schools hold special education teaching credentials for the subjects they teach.

SB 1613 (Alpert) – Makes numerous revisions to state law pertaining to nonpublic schools serving children in foster care who are also in special education. Requires local education agencies to annually review placements of such children in nonpublic schools. Also requires nonpublic schools to certify that teachers have special education credentials and that students have access to a standards-based curriculum and requires special education funds received by a nonpublic school to be used for educational expenses and not for residential care.

SB 1825 (Alarcón) – Requires the Department of Social Services to establish a Foster Care Children’s Agency to ensure cooperation between state and local agencies in the provision of services to children in foster care. Specifies duties of the Department of Social Services to children who have been placed in foster care multiple times and requires the department to remove county financial incentives for breaking up families when children are placed in foster care.

AB 2627 (Steinberg) – Repeals provision of current law that prohibits public access to hearings on whether a child should be declared a dependent of the juvenile court. Subject to provisions of federal law, AB 2627 would allow a court to exclude members of the public from the hearing only if an objection is made and the court rules that admitting members of the public would not be in the child’s best interest. The child would be informed of his/her right to request that the hearing be closed to the public.

AB 2749 (Dutton) – Requires staff conducting investigations of child abuse or neglect to inform those persons who are subject to the investigations of the complaints made against them, while protecting the rights of informants. Requires training for child protective services workers to include the constitutional and statutory rights of persons subject to an investigation of child abuse or neglect.

CalWORKS

SB 1639 (Alarcón) – Makes numerous changes to the California Work Opportunity and Responsibility for Kids (CalWORKs) program, including specifying that English language acquisition is an allowable part of a CalWORKs vocational curriculum. Authorizes rather than requires CalWORKs recipients to participate in a job search as the first activity in an employment plan. Specifies that the assessment of a recipient include his/her educational attainment and identification of career paths, education and training to enable the recipient to become self-sufficient. Also authorizes extension of the 18- and 24-month-time limits in CalWORKs, under specified circumstances.

SB 1657 (Scott) – Requires the Departments of Education and Social Services to develop regulations to clearly define certain areas of law, such as child care payment recovery, fraud prevention, and standards for referral of cases to law enforcement agencies. Also requires that child care providers or contractors be provided with procedural due process rights if an action is proposed by either Department that might result in termination of a subsidy, recovery of payments or criminal prosecution.

Other Human Services Measures

SB 1814 (Aanestad) – Requires the state Department of Social Services, in addition to its existing responsibility for providing workers' compensation coverage for certain In-Home Supportive Services (IHSS) providers, to assume responsibility for providing workers' compensation coverage for IHSS providers who are employed directly by a county.

AB 1796 (Leno) – Provides that a person with a conviction for a felony related to drugs shall be eligible for Food Stamps. Under existing law, such persons are not eligible.

AB 2414 (Hancock) – Permits a nonprofit agency providing IHSS services, through a contract under the control of a local government entity, to provide the same scope of supportive and other personal care services as are included in the Medi-Cal and IHSS programs.

Information Technology

"Spyware," "Adware" and E-mail False Advertising

Internet users are increasingly concerned about what has come to be called "spyware" – small pieces of software ("cookies") that marketers insert in computers to track what Web sites users visit, and sometimes other personal data, often without the computer user's knowledge.

Some also are concerned about “adware” – cookies that produce pop-up and other advertising on a computer screen unrelated to either a program that the computer user is purposefully running or a Web page that a user is purposefully viewing.

SB 1436 (Murray) – Requires a person or entity providing computer software containing spyware to disclose to the recipient that the software contains spyware and what the spyware does. Prohibits the transmission to a computer of software containing spyware in violation of the policy of the recipient's Internet service provider.

SB 1457 (Murray) – Prohibits sending or advertising in an e-mail commercial advertisement, whether solicited or not, from California or to a California e-mail address if the ad contains any false, misrepresented, obscured, forged, or misleading information. Prohibits a commercial e-mail ad from containing deceptive information regarding the authorization to send the ads or opting out of receiving future ads.

AB 2787 (Leslie) – Prohibits spyware that collects personal financial information supplied by a computer user in filling out forms online, e-mails containing links to adware or spyware that automatically downloads into a computer, and Web pages that automatically download adware or spyware when the page is viewed, unless the Web page provides clear and conspicuous notice and obtains the user's consent.

“Internet Piracy” and Taxes

SB 1506 (Murray) and **AB 2735 (McCarthy)** – Make it a crime for a person who is not the copyright owner to knowingly electronically disseminate a commercial recording or audiovisual work without disclosing his or her true name and address and the title of the recording or audiovisual work (called “Internet piracy”). Allow a court to order the forfeiture and destruction of articles upon which sounds or images can be stored, electronic files, and electronic and other devices in connection with a violation of these provisions.

AB 1791 (Chavez) – Reenacts the California Internet Tax Nondiscrimination Act to prohibit taxes on Internet access, on-line computer services, and bits or bandwidth, with specified exceptions.

State Government IT

AB 2609 (Garcia) – Merges the Health and Human Services Agency Data Center into the Stephen P. Teale Data Center in the Business, Transportation and Housing Agency.

International Trade

A number of bills attempt to respond to the elimination of the Technology, Trade and Commerce Agency in last year's budget while creating new international offices and programs.

SB 1261 (Vasconcellos) – Provides that the governor is the primary state officer with regard to international affairs to the extent not in conflict with federal law or the California Constitution. Requires the governor to establish an Office of External Affairs within the Governor's Office and to establish state offices in other countries administered by the Office of External Affairs.

SB 1837 (Karnette) – Establishes the Office of Trade Promotion in the Governor's Office to serve as the state's primary resource and focal point for all trade-related activities, and to facilitate collaboration among organizations that can provide complimentary trade services.

SB 1857 (Hollingsworth) – Declares the intent of the Legislature to enact legislation to provide for trade and international trade offices on behalf of the state through public-private partnerships.

AB 1911 (Richman) – Requires the governor to instruct the secretary of the Business, Transportation and Housing Agency to establish, on a contract basis, an international trade office in Israel. The measure would be implemented only if non-state funds were available.

AB 2206 (Firebaugh) – Requires the secretary of the Business, Transportation and Housing Agency, to the extent sufficient non-state funds are available, to develop a state collaborative alliance of public-private trade development organizations to achieve specified international trade and investment purposes. Establishes a newly constituted California State World Trade Commission in the Governor's Office.

AB 2524 (Yee) – Establishes the California Export Development Corporation in the Business, Transportation and Housing Agency.

Judiciary

SB 1440 (Burton) – Establishes procedures for keeping the location and identifying information about assets and liabilities of the parties confidential in court files related to dissolution of marriage.

AB 1616 (Montañez) – Enacts the California Intellectual Property Rights Act, setting forth the state's policies on state-owned intellectual property. Stipulates that state-owned copyrights are dedicated to the public domain.

AB 2604 (Pacheco) – Permits a person to bring an action for unfair competition, or an injunction in an unfair competition action, only if someone suffered injury in fact and a loss of money or property as a result of the act of unfair competition.

Labor and Employment

This year one of the major focuses of labor-related legislation is resolving the workers' compensation crisis in California. Legislative issues include controlling medical costs, restructuring the permanent disability rating system and providing incentives for recovering workers to return to work. A number of bills also will be considered to limit the outsourcing of jobs overseas (please see "Outsourcing and Overseas Labor" in the *General Government* section on page 11) and restore solvency to the state's unemployment insurance fund.

Workers' Compensation

SB 1466 (Ortiz) – Repeals existing rate regulations for the purposes of workers' compensation and instead requires the state insurance commissioner to approve a classification of risks and premium rates and prohibits insurers from using rates lower than the approved rates.

SBX4 3 (Poochigian) and **ABX4 1 (Maldonado)** – Provide for numerous changes to California's workers' compensation system. Create a three-tiered system for permanent disability ratings that would limit awards for those who return to their previously held jobs or who are offered their jobs or equivalent jobs, but refuse to return. Among a number of other provisions, these identical bills require objective medical findings that are reproducible, measurable or observable. They require treatment in accord with evidence-based guidelines, and specify that an employee may select a physician of his or her own choice if agreeable to the employer. They limit penalties on benefits that have been unreasonably delayed or refused, up to 15 percent of the amount delayed or \$500, whichever is greater.

SBX4 9 (Alarcón) – Restores provisions requiring user funding for the administration of the workers' compensation program. Legislation last year changed the funding of the program, which required that 80 percent of the costs be borne by the General Fund and 20 percent by employers, to require that 100 percent of the costs be borne by employers. This provision was inadvertently removed and is being restored by this bill.

Unemployment Insurance

SB 1191 (Alarcón) – Makes legislative findings that the current revenue in the Unemployment Insurance Fund is insufficient to pay benefits due to the inability of the fund formula to generate enough revenue. The bill will be the likely vehicle for restoring solvency to the unemployment insurance fund and makes findings that increasing the taxable wage base of earnings can generate this revenue.

AB 2320 (Bates) – Freezes the maximum weekly benefit amount at \$410 for unemployment insurance claims filed on or after January 1, 2005, until the state's minimum reserve levels meet Department of Labor standards. Once reserve levels meet these standards the maximum weekly benefit amount would increase to \$450.

Other Labor and Employment Bills

SB 1453 (Figueroa) – Requires any employer who outsources California jobs outside of the United States that would result in the replacement of 20 or more workers to give written notice of the contract to the Employment Development Department and the affected employees.

SB 1829 (Knight) – Repeals the Paid Family Leave Act of 2003, which provides workers up to six weeks of paid family leave, financed through the worker-funded state disability insurance program.

AB 2322 (Bates) – Authorizes any worker to opt out of making contributions to, and receiving benefits from, the family temporary disability insurance program, which is administered by the Employment Development Department.

AB 2650 (Bates) – Modifies the Private Attorneys General Act of 2004 by precluding aggrieved employees of small employers from bringing civil actions to recover civil penalties for violations of the Labor Code. Small employers are defined as employing fewer than 100 employees within a 75-mile radius.

AB 2832 (Lieber) – Raises the current minimum wage of \$6.75 per hour to \$7.25 per hour as of January 1, 2005, and to \$7.75 per hour as of January 1, 2006.

Local Government

SB 1263 (Torlakson) – Requires public officials to approve development projects that are consistent with specific plans, absent health and safety problems.

SB 1592 (Torlakson) – Uses incentives to promote infill development.

SB 1641 (Alarcón) – Prohibits cities from approving big box stores if the city council makes certain findings.

Natural Resources

SB 1327 (Kuehl) – Prohibits the director of the Department of Parks and Recreation from approving a change in use, development, or transfer of a property right, or improvement in a park unit, unless the change is consistent with provisions describing the allowable use of that category of unit. The change must be approved by the Legislature as part of the annual budget process.

SB 1334 (Kuehl) – Requires that the California Environmental Quality Act apply to timberland conversion and conversion of oak woodlands, other than conversion of oak woodlands under the Williamson Act.

SB 1369 (Kuehl) – Requires residents in fire hazard areas to remove all brush, flammable vegetation, or combustible growth within 100 feet of an occupied dwelling.

SB 1459 (Alpert) – Requires all vessels using bottom trawl gear to maintain a current bottom trawl permit. Requires an application for a bottom trawl permit for the 2006-07 fishing season to be received by the Department of Fish and Game not later than January 1, 2006. Beginning with the 2007-08 fishing season, the applicant must have previously held a bottom trawl permit.

SB 1462 (Kuehl) – Creates a Southern California Military Greenway Commission, composed of Los Angeles, Ventura, Kern and Kings counties, with authorization to promote, facilitate and administer the acquisition of voluntary private and public conservation easements.

SB 1648 (Chesbro) – Defines “management plan,” for state forest purposes, to mean a plan approved by the state Board of Forestry and Fire Protection that provides direction to the Department of Forestry and Fire Protection regarding management of a state forest. Defines “continuous production” as lands primarily suited to growing forest species that occur naturally in the state. Defines “forest land” as lands primarily suited to growing forest species that occur naturally in the state. Defines “management” to mean using a state forest for demonstrations and scientifically designed studies regarding forest resource management, maintenance and restoration of forestland resources, education, recreation and public enjoyment.

Privacy and Identity Theft

Identity theft and fraud remain the United States’ fastest growing crime, according to the Federal Trade Commission. The Legislature made identity theft a crime in 1997, and since then has adopted what some consider the nation’s furthest-reaching laws and privacy protections to combat this crime.

SB 1279 (Bowen) – Enacts an omnibus identity-theft bill. Requires an agency, person, or business to notify any Californian whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person, and to pay for two years of a credit-monitoring service for each person whose personal information was compromised. Requires credit reporting agencies to allow consumers to password-protect their credit files and to provide toll-free phone numbers with staff capable of answering and appropriately responding to calls regarding a consumer’s credit-report rights around the clock. Prohibits storing a customer’s personal information on a card key, such as an electronic hotel key.

SB 1822 (Figueroa) – Makes a person or entity that sells a Social Security number strictly liable for any damages that directly or indirectly result from the sale.

AB 664 (Correa) – Requires a person or business that shares personal information with offices, affiliates, subcontractors or subsidiaries outside the United States to disclose to the customer specific information about the information shared, including the category of personal information, and the country where the information may be shared.

AB 1950 (Wiggins) – Extends some financial-institution privacy protections to other businesses. Requires a business to implement effective safeguards that ensure the security of consumers' personal information, protect it against loss and protect it from unauthorized persons.

AB 2588 (Reyes) – Prohibits a health-care provider or service plan from disclosing medical information to any third party for the purpose of medical-record processing or transcription.

Secret Photography

The widespread availability of digital cameras in cell phones has led to secret photography of persons in places ranging from public streets to restrooms, medical offices and other places where persons have a reasonable expectation of privacy.

SB 1484 (Ackerman) – Makes it a misdemeanor to use a concealed camera to secretly photograph an identifiable person for the purpose of viewing the body or undergarments of that other person where that person has a reasonable expectation of privacy.

AB 1833 (Reyes) – Requires that every cell phone sold in California that is equipped to take or transmit photos, emit a distinctive noise or light to indicate when it takes a picture.

Vehicular Eavesdropping

SB 1330 (Murray) – Prohibits a person, maliciously and without the consent of all parties to the communication, from intercepting, receiving, or recording a communication transmitted by an embedded automotive telematic device such as OnStar.

AB 2840 (Assembly Judiciary Committee) – Requires a vehicle rental company that uses electronic surveillance technology in its vehicles to tell the renter the type of technology and the information it collects. Specifies that a renter has the right to rent a vehicle that is surveillance-free. The bill also would require a rental company to obtain a renter's authorization before using or disclosing to others information about the renter's vehicle use.

Public Employment and Retirement

Governor Schwarzenegger proposed changes in the state pension system in his 2004-05 budget package. Specifically, his budget proposed increasing the

proportion of a state employee's contribution to retirement, decreasing the compensation package for newly hired employees and reducing by half the level of the pension obligation bond assumed in the 2003-04 budget. Legislation this year would implement the governor's budget proposals and roll back provisions of current law.

SB 1439 (Speier and Soto) – Excludes, for the purpose of claiming unemployment insurance benefits, services performed for the state by persons retired under the Public Employees' Retirement System (PERS), who are servicing without reinstatement from retirement or loss or interruption of PERS benefits.

AB 1281 (Pavley) – Allows specified county peace officers and county fire personnel in counties operating retirement systems under the County Employees' Retirement Law of 1937 to purchase service credit from public service time prior to becoming a member, paying only the employee's contribution into the retirement system. This reflects provisions of AB 80 (Bogh) that were vetoed last year by Governor Davis.

AB 2034 (Campbell) – Excludes confidential and supervisory employees from an agency shop arrangement under the Meyers-Milias-Brown Act. Current law excludes only management employees.

AB 2575 (Haynes) – Deletes a requirement under the Ralph C. Dills Act that specifies that when a memorandum of understanding has expired, but no new memorandum has been agreed to, that the provisions of the expired memorandum of understanding remain in effect.

AB 2903 (Campbell) – Increases by 1 percent the percentage of monthly compensation contributed to the Public Employees' Retirement Fund by state employee members. Establishes a second tier of benefits for any person who becomes a state miscellaneous or state industrial member as of the effective date of the bill.

Public Safety

Prison Reform

Public hearings, presided over by Senators Gloria Romero and Jackie Speier, early in the year divulged alleged corrupt practices, the role of correctional officers in a prison riot and the extent of influence over prison policies and operations by the prison guards' union. Among key bills to reform the state corrections system are:

SB 1164 (Romero) – Allows news media access to prisoners for interviews and permits the exchange of confidential correspondence between prisoners and news media contacts.

SB 1342 (Speier) – Expands the Office of Inspector General (OIG) – which investigates wrongdoing in the prisons – to include additional senior positions

subject to Senate confirmation, and requires the adult and youth prison administrations to report to the OIG any matter of potential criminal prosecution. Previously on the verge of being abolished, the OIG under this bill also receives a fixed percentage of the adult and youth prison budgets to ensure its viability. As another feature, previously disallowed, public release of OIG reports is established.

SB 1352 (Romero) – Adds authority and responsibilities to the OIG, mainly to specify reform recommendations and perform follow-up to ensure they are carried out.

SB 1431 (Speier) – Imposes sanctions and mandated cooperation in investigations when issues of misconduct arise on the part of correctional officers and others employed by the California Department of Corrections and Department of Youth Authority. Requires creation of a code of conduct and compels correctional employees, under penalty of perjury, once a year to sign the code, which spells out responsibility where misconduct is observed.

Domestic Violence and Sexual Assault

SB 914 and SB 1533 (Bowen) – Shifts administration of grant programs to fund domestic violence and sexual assault programs from the Office of Criminal Justice Planning and the Department of Health Services to the Office for Victim Services.

SB 1385 (Burton) – Replaces the term “battered women’s syndrome” in the codes with the more comprehensive phrase “battering and its effects.” Also removes the 2010 expiration date for writs of habeas corpus to be brought by battered women who were convicted before August 29, 1996.

SB 1441 (Kuehl) – Gives victims of domestic violence the right to have a domestic violence counselor and a support person of his or her choosing present at any interview by law enforcement authorities, district attorneys, or defense attorneys. The victim must be informed of this right before the initial interview. A similar right is already afforded to victims of sexual assault.

AB 2010 (Hancock) – Allows Alameda County to collect an extra \$2 fee when a marriage license, birth certificate, or death certificate is issued to fund domestic violence services. This measure is similar to SB 425 (Torlakson), passed in 2001, that gave Contra Costa County similar authority. Existing laws attach a \$23 fee to every standard marriage license issued and the fees generated in each county are placed in the county’s domestic violence program special fund.

AB 2852 (Laird) – Eliminates the state mandate requiring law enforcement agencies to complete a written incident report in domestic violence cases. This mandate, along with a number of other state mandates, would become optional under the bill.

Hate Crimes

SB 1234 (Kuehl) – Enacts an omnibus hate-crime bill. Creates a uniform definition of “hate crime.” Imposes fines of up to \$50,000 for second-offense violent hate crimes, large civil penalties, up to 400 hours of community service, and mandatory sensitivity and civil-rights training. Requires the Judicial Council to develop hate-crime sentencing guidelines, with the goals of punishment, crime and violence prevention, and restorative justice. Requires prisons and jails to report hate crimes behind bars. Expands police and correctional-, parole-, and probation-officer hate-crime training.

Other Public Safety Bills

SB 1399 (Vasconcellos) – Requires the Department of Corrections to evaluate inmates entering the prison system – except those who will never be released – as to educational and vocational skills and capacity to learn. Psychosocial development is measured as an indicator of an inmate’s ability to someday lead a constructive life.

SB 1582 (Bowen) – Prohibits 16- and 17-year-olds from using a cell phone – hand held or hands-free – while driving. The penalty is a point on their driving record and a \$25 fine for the first violation and a \$50 fine for second and subsequent violations. Use in emergencies is permitted.

AB 45 (Simitian) – Prohibits driving while conversing on a cell phone, but allows hands-free cell phoning as long as the phone is designed and configured for use in the hands-free manner. Exceptions are made for emergency calls. Fines for violations are \$20 for a first offense, \$50 for subsequent violations.

AB 1667 (Kehoe) – Extends the period in which a victim of child molestation may report the crime in order for the crime to be prosecuted. Repeals current law requiring reporting of the crime within 10 years of its commission and redefines the reporting period to be until victim’s 30th birthday, or longer with conditions.

AB 2022 (Chu) – States legislative intent to establish a Sex Offender Management Board for the centralized control and monitoring of registered sex offenders. Among board responsibilities are overseeing and standardizing the evaluation and treatment.

Revenue and Taxation

SB 548 (Burton) – Authorizes Franchise Tax Board to contest Board of Equalization decisions through trial de novo.

SB 1424 (Burton) – Abolishes the Franchise Tax Board and transfers its powers and duties to the state Board of Equalization (BOE), operative January 1, 2006. Requires the BOE to report to the governor and the Legislature by June 30, 2005, on the bill’s impact.

SCA 2 (Torlakson) – Allows a majority vote for tax increases for transportation purposes.

SCA 11 (Alarcón) – Authorizes a 55 percent vote for special taxes and bonds when the proceeds are used for infrastructure.

AB 1815 (Chan) – Raises the top income tax rates to 10 percent and 11 percent.

Spending Limits

SCA 16 (McClintock) – Repeals voter-approved revisions of the state spending limit of 1979, including provisions of Proposition 98, the school spending guarantee, and restores spending limit provisions tied to population and inflation approved in 1979.

ACA 6 (Campbell) – Repeals the state spending limit and instead limits special fund expenditures to an annual increase of no more than the increase in the cost of living, multiplied by the percentage increase in state population. Requires excess revenues to be allocated in prescribed amounts to a reserve account, to the State School Fund and to personal-income taxpayers.

ACA 12 (Leslie) – Limits annual state revenue increases in a calendar year from taxes, fees, or other means to the percentage increase in the Consumer Price Index or comparable data for California for the previous calendar year, and limits annual state General Fund expenditures to the percentage increase in California personal income. Requires that 50 percent of revenues in excess of the appropriations limit either be returned to California taxpayers by the Legislature or be placed in reserve for appropriation in future fiscal years.

Transportation

SB 1087 (Soto) – Removes the sunset on funding the Safe Routes to School program.

SB 1169 (Murray) and **SB 1483 (Perata)** – Postpone a vote on the High Speed Train Bond Act for two years.

SB 1256 (McClintock) – Repeals the High Speed Train Bond Act and the vote on it.

SB 1443 (Murray) – Allows gas tax revenues to be spent for transportation even if the budget is delayed past July 1.

SB 1507 (Burton) – Makes the California Transportation Commission solely responsible for administering the Transportation Congestion Relief Fund.

SB 1582 (Bowen) – Prohibits persons under age 18 from using cell phones while driving.

SB 1614 (Torlakson) – Imposes a 10-cent-per-gallon fee on gasoline.

SB 1759 (Denham) – Deletes the requirement that monies deposited in the State Highway Accounts be transferred to the Public Transportation Account and the provision that the money may be used for any authorized transportation purpose.

SB 1800 (Murray) – Adds additional fines for distracted driving (cell phones, eating, grooming, etc.) in convictions for unsafe driving offenses.

AB 338 (Levine) – Requires Caltrans to maximize the use of recycled crumb rubber in highway-repair asphalt in not less than 15 percent of projects.

AB 2847 (Oropeza) – Imposes a 5-cent-per-gallon fee on each gallon of gasoline subject to the Motor Vehicle Fuel License Tax Law and each gallon of motor vehicle diesel fuel subject to the Diesel Fuel Tax Law. In addition, if the federal fuel tax is reduced below the rate of 9 cents per gallon and federal financial allocations to this state are reduced or eliminated, the tax rate would be increased so that the combined state and federal tax rate per gallon would equal 27 cents.

ACA 24 (Dutra) – Authorizes the Legislature to loan funds in the Transportation Investment Fund to the state General Fund or any other state fund or account, or to local agencies, under conditions that are similar to conditions applicable to loans of revenues under Article XIX of the California Constitution.

Veterans

SB 1193 (Soto) – Requires the state to pay a \$10,000 death benefit to the surviving spouse of a member of the California National Guard, state Military Reserve, or Naval Militia who is killed in the performance of duty. Exempts the spouse and children from paying tuition and fees in California higher educational institutions.

AB 323 (Parra) – Authorizes any state agency, or city, county, political subdivision or district to purchase goods and services from nonprofit veterans service agencies without advertising or calling for bids.

AB 1520 (Kehoe) – Creates an 11-member Veterans' Memorial Commission and transfers authority for veterans memorials from elected representatives to appointees.

AB 1592 (Committee on Veterans' Affairs) – Specifies the Department of General Services as the administrating agency for the disabled veterans' business enterprise (DVBE) program. Sets standards for meeting the program's DVBE goals.

Water

SB 1132 (Brulte) – Appropriates \$50 million from Proposition 50, Chapter 8, for competitive grants to San Bernardino, Ventura, San Diego, Los Angeles and Riverside Counties for flood control and other water management projects. These funds are to be allocated on an expedited basis to reduce the potential for flooding and mudflows due to winter and spring rains.

SB 1155 (Machado) – Prevents public agencies from working to increase pumping from the Sacramento-San Joaquin Delta until specific one-to-three-year actions requested by the CalFed Record of Decision are accomplished. Defines an open CalFed process and codifies solution principles.

SB 1318 (Burton) – Amends Proposition 50 to provide that funds for coastal watershed and wetland protection may be allocated as grants to the Ocean Protection Council, or grants and expenditures generally by the State Coastal Conservancy and the Wildlife Conservation Board, for projects to protect and restore coastal waters and ocean ecosystems.

SB 1374 (Machado) – Allows the State Water Resource Control Board to approve petitions for long-term water transfers only if it additionally determines that the proposed transfers would not cause substantial third-party impacts. The bill also authorizes the board to develop and adopt an abbreviated process to approve long-term transfers that it determines are least likely to negatively affect third parties.

SB 1479 (Sher) – Reduces the number of members on the regional water boards.

SB 1552 (Machado) – Authorizes Regional Water Control Boards to establish minimum flow requirements as a part of establishment of total maximum daily loads.

AB 2951 (Canciamilla) – Declares the intent of the Legislature to define an appropriate measurement for agricultural uses of water in accord with the CalFed Bay-Delta Programmatic Record of Decision.